

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

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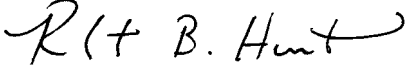
H.P. 30

House of Representatives, January 8, 2025

An Act to Expand Access to the Maine Wage Assurance Fund

Submitted by the Department of Labor pursuant to Joint Rule 204.

Received by the Clerk of the House on January 6, 2025. Referred to the Committee on Labor pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.


ROBERT B. HUNT
Clerk

Presented by Representative SKOLD of Portland.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 26 MRSA §632**, as corrected by RR 2023, c. 2, Pt. E, §21, is amended to
3 read:

4 **§632. Fund for unpaid wages and certain liquidated damages**

5 **1. Fund established.** There is established the Maine Wage Assurance Fund to be used
6 by the Bureau of Labor Standards within the Department of Labor for the purpose of
7 assuring that all former employees of employers within the State receive payment for wages
8 and liquidated damages, in an amount equal to the wages, for a maximum of ~~2~~ 4 weeks for
9 the work they have performed. The Legislature intends that payment of earned wages and
10 liquidated damages from the fund be limited to those cases when the employer has
11 terminated the employer's business and there are no assets of the employer from which
12 earned wages may be paid or when the employer has filed under any provision of the
13 Federal Bankruptcy Act. An officer or director in the case of a corporation, partner in the
14 case of a partnership or owner in the case of a sole proprietorship may not be considered
15 an employee for purposes of this section.

16 **2. Administration.** The fund ~~shall~~ must be administered by the Director of the Bureau
17 of Labor Standards. Applications for payment from the fund and disbursements from the
18 fund ~~shall~~ must be in accordance with ~~regulations promulgated~~ rules adopted by the
19 director. The State ~~shall~~ must be subrogated to any claims against an employer for unpaid
20 wages and liquidated damages, in an amount equal to the wages, by an employee who has
21 received payment from the fund. Subrogation to these claims ~~shall~~ must be to the extent of
22 payment from the fund to the employee.

23 **3. Amount in fund.** The Maine Wage Assurance Fund is a nonlapsing, revolving
24 fund limited to a maximum of \$200,000. All money collected from an employer pursuant
25 to a claim for unpaid wages and liquidated damages, in an amount equal to the wages, by
26 an employee who has received payment from the fund, or by the State as the employee's
27 subrogee, is credited to the fund.

28 The fund must be established and augmented periodically as necessary.

29 Money in the fund not needed currently to meet claims against the fund must be deposited
30 with the Treasurer of State to be credited to the fund and may be invested in such manner
31 as is provided for by statute. Interest received on that investment must be credited to the
32 Maine Wage Assurance Fund.

33 **SUMMARY**

34 This bill amends the laws governing the Maine Wage Assurance Fund to increase the
35 number of weeks for which payment may be made from 2 to 4. It also includes an equal
36 amount of liquidated damages payable to the employee.